

Ian Blatchford  
Director and Chief Executive  
Science Museum Group  
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South Kensington  
London  
SW7 2DD



6 December 2012

By Email

*Dear Ian*

## REVISED FUNDING 2013-2015

I am writing to inform you of a change to the Science Museum Group's allocations for the financial years 2012-13, to 2014-15. This letter replaces any previous notifications.

Following the Chancellor's Autumn Statement on 5<sup>th</sup> December 2012 a budget cut of 1% and 2% has been applied to your resource (near cash) baselines for 2013-14 and 2014-15 respectively. Ministers are clear that spending on frontline services should continue to be prioritised, and that you should actively identify and implement the most cost-effective ways of delivering public services. We have corresponded previously on the need to set and maintain contingency plans to help you cope with budgetary reductions within and between Spending Review periods.

The amended control totals against which net expenditure will be monitored and the grant in aid that the Department will pay are as set out in the table below. The control totals are shown in the shaded columns and incorporate any other changes that have previously been agreed with you.

£m	Resource Budget			Capital Budget			Grant in Aid
	Programme (near-cash)	Programme depreciation	Total Resource (DEL) Budget (A+B)	Core capital	Reserves	Total Capital (DEL) Budget (D+E)	
Year	A	B	C	D	E	F	G
2012-13	41.275	8.987	50.262	2.385	1.723	4.108	43.660
2013-14	40.197	9.859	40.197	2.486	0.000	2.486	42.683
2014-15	39.667	10.152	49.819	2.587	0.367	2.954	42.254

Guidance on the budgeting rules within which you are expected to operate has previously been circulated and can be found in the Treasury's Consolidated Budgeting Guidance.

The SMG budget includes ringfenced funding for the National Coal Mining Museum for England. Cuts should be made to the NCMME in line with those of SMG, 1% for 2013-14 and 2% for 2014-15 providing revised funding of:

<b>£m</b>	<b>NCMME Grant</b>
<b>2012-13</b>	2.657
<b>2013-14</b>	2.590
<b>2014-15</b>	2.556

If you have any questions about the content of this letter, or would like to discuss your contingency plans, then please get in touch with your usual relationship manager in the finance team or with me.

Yours sincerely,



**SAMANTHA FOLEY**  
**Finance and Commercial Director**

cc: Dr Douglas Gurr  
Jane Ellis